BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2000-449-C- ORDER NO. 2000-857

OCTOBER 23, 2000

Application of BroadStreet Communications, IN RE: Inc. For Approval of Flexible Regulation as a Competitive Local Exchange Carrier and for Alternative Regulation as an Interexchange Carrier

ORDER APPROVING
FLEXIBLE
RECY

) **REGULATION OF**

LOCAL SERVICES AND

ALTERNATIVE

REGULATION OF

INTEREXCHANGE

SERVICES

This matter comes before the Public Service Commission of South Carolina ("Commission") on the request BroadStreet Communications, Inc. ("BroadStreet" or the "Company") for approval of flexible regulation for its local exchange service offerings and for alternative regulation of its interexchange business service offerings. BroadStreet requests that its local exchange service offerings be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in Docket No. 97-467-C. Additionally, BroadStreet requests that its interexchange business service offerings, consumer card services, and operator services be regulated in accordance with the procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

Pursuant to the instructions of the Commission's Executive Director, a Notice of Filing was published in newspapers of general circulation in the areas affected by the

request of BroadStreet for flexible regulation and alternative regulation. No Protests or Petitions to Intervene were received regarding BroadStreet's request.

Accordingly, the matter comes before the Commission for disposition. Flexible regulation of local exchange services was first recognized by this Commission by Order No. 98-165 in Docket No. 97-467-C. BroadStreet requests that the Commission adopt for its competitive intrastate local exchange services a flexible regulatory treatment as first approved by Order No. 98-165 in Docket No. 97-467-C. This flexible regulatory treatment of competitive local exchange services consists of a rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels. Further, local exchange service tariffs are presumed valid upon filing, subject to the Commission's right within thirty (30) days to initiate an investigation of the tariff filing, in which case the tariff filing will be suspended pending further Order of the Commission. Additionally, any company under the flexible regulatory scheme as approved by Order No. 98-165 in Docket No. 87-467-C will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

Alternative (or relaxed) regulation was first approved for AT&T of the Southern States by Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The alternative regulatory scheme approved in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, and as approved for other interexchange carriers, provides that tariffs shall be presumed valid upon filing, subject to the Commission's right within seven (7) days to institute an investigation of the tariff filing, in which case such filing shall be suspended pending further Order of the Commission. BroadStreet requests that this alternative regulation be

approved for its interexchange business services, consumer card services, and operator services in South Carolina.

Since the Commission has received no opposition to BroadStreet's request, the Commission approves BroadStreet's request for flexible regulation of its local exchange service offerings and for alternative regulation of BroadStreet's business service offerings, consumer card offerings, and operator service offerings.

IT IS THEREFORE ORDERED THAT:

- 1. BroadStreet's request for flexible regulation of its local exchange service offerings and for alternative regulation of its business service offerings, consumer card service offerings, and operator service offerings is granted.
- 2. Under flexible regulation for local exchange service offerings, BroadStreet shall file with the Commission tariffs which shall include a maximum rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels. Further, local exchange service tariffs are presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case the tariff filing will be suspended pending further Order of the Commission. Additionally, BroadStreet, under the flexible regulatory scheme as approved by Order No. 98-165 in Docket No. 87-467-C, will be subject to the same monitoring process as similarly situated competitive local exchange carriers.
- 3. Under alternative regulation, BroadStreet shall not be required to state maximum rates (caps) for its business service offerings, consumer card service offerings,

and operator service offerings. Such rates shall be presumed valid upon filing, subject to the Commission's right within seven (7) days to institute an investigation of the tariff filing, in which case such filing shall be suspended pending further Order of the Commission. Further, BroadStreet shall be subject to the same monitoring process as similarly regulated companies.

4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

E. Walde

Jullandas Chairman

ATTEST:

Evecutive Pirector

(SEAL)